

# Mercedes-Benz to launch CLA Electric

● ₹58-lakh EV aims to power luxury market push

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**MERCEDES-BENZ INDIA** will launch its most affordable electric vehicle, the CLA Electric, at around ₹58 lakh as it looks to expand its presence in the entry-luxury segment and attract younger buyers. Bookings for the model will open on March 10, with customer deliveries slated to begin in April.

"We want to attract younger Gen Z buyers and driving enthusiasts," Santosh Iyer, managing director and CEO of Mercedes-Benz India, told *FE*. He said the company sees the new electric sedan as a way to widen its EV portfolio without diluting its technology-led positioning.

While the passenger vehicle market has tilted sharply towards SUVs, Mercedes-Benz is continu-



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ing to back sedans. "The largest-selling luxury car in India is a sedan, the E-Class. For us, sedans contribute 45% of sales," Iyer said. To address concerns around road conditions, the CLA Electric has been tuned with higher ground clearance. "This will eliminate the sedan apprehension many buyers feel regarding speed breakers and monsoon-affected roads," he added.

Despite being positioned as

an entry-level EV for the brand, Iyer described the CLA Electric as a technology warrior. The car offers a WLTP-certified range of 792 kilometres, which the company believes will significantly ease range anxiety and make the model suitable for long-distance driving.

The launch also comes as Mercedes-Benz trails key rival BMW in electric vehicle volumes in India. In 2025, BMW sold

3,195 electric cars, nearly three times Mercedes-Benz's 1,168 units. Iyer attributed the gap to differences in strategy. "If sales volumes were the objective, we would be bringing price warriors, not technology warriors," he said. He added that about 70% of Mercedes-Benz's EV sales in 2025 came from models priced above ₹1.25 crore. "The CLA Electric will bridge this gap, offering high-end tech at a more accessible price point."

The CLA Electric will be imported as a completely built up unit, as there is no global CKD supply chain for the model. However, Mercedes-Benz India plans to offer CKD-level pricing to stay competitive.

Iyer linked the company's longer-term optimism to India's economic growth. "We have clearly seen that in the last 10 years, when per capita GDP doubled, our sales also doubled," he said, adding that free trade agreements with advanced economies could further lift consumer spending.